

## NEWS AND DATA ON DIGITAL TERRESTRIAL TV FROM ITALY AND EUROPE

### 20<sup>th</sup> AND 21<sup>st</sup> OF JANUARY 2009 NOTHING IS THE SAME

The fourth conference on DTT marks a turning point in the process of DTT development in Italy. After the positive results witnessed in Sardinia and the scheduling of DTT switch-off areas defined by the Ministry for Commercial and Economic Development, 2009 is set to be the big year of change with digital switch-off affecting 6 million households; that is 30% of the Italian population.

If, during the previous conferences in Cagliari and Naples, digital TV was talked of as something with a virtual potential that would affect the future, it can be said that the Rome conference is very much about here and now.

Digitalisation is one of the most significant industrial processes to take place over the next few months; a process that will involve hundreds of large and small businesses. A success that will not be exclusive to broadcasters but will include national and regional institutions and consumers. In short Italy as a whole.

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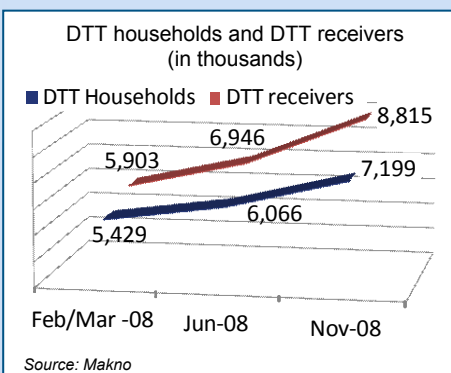
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### DTT PENETRATION

#### 7.2 MLN DTT HOUSEHOLDS

According to the latest estimates by Makno, in November the number of DTT households (those with at least one DTT receiver in the main family home) had risen to 7.2 million. An increase of 1 million with respect to June.

Moreover, in November, the number of DTT receivers in households reached the 8.8 million mark. These figures confirm the growth in the number of DTT receivers in secondary TV sets.

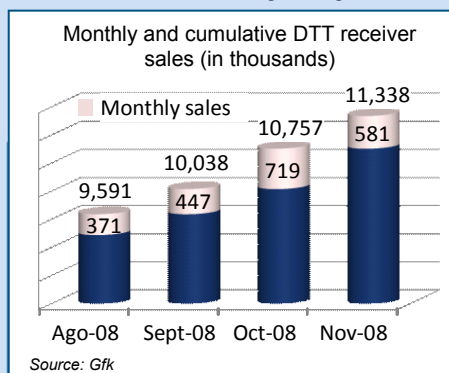


### SALES OF DTT RECEIVERS

#### OVER 11 MILLION

November confirmed the trend in increased DTT receiver sales: according to the latest data provided by GfK 581,000 pieces were sold of which approximately 74% (432,000) were integrated DTT receivers and the remaining 149,000 (26% of total) were stand-alone STBs.

By the end of November, cumulative sales of DTT receivers since February 2004 had overtaken the 11.3 million mark. Over 4 million DTT units have been sold since the beginning of 2008.

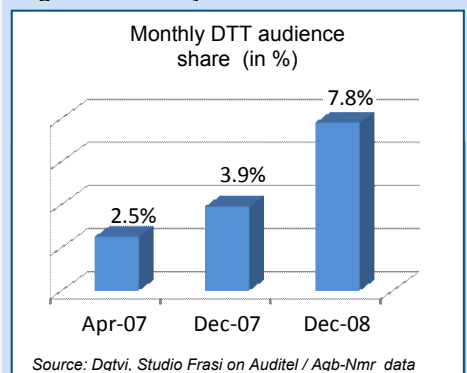


### DTT AUDIENCE FIGURES

#### DTT SHARE OVERTAKES 8%

DTT viewing time continues to grow. In November DTT audience share overtook the 7% mark; in December it was close to 8%.

According to Auditel AGB-Nmr data processed by Studio Frasi, DTT audience share has doubled with respect to December 2007. The digital switch-off in Sardinia, the increase in integrated receiver sales and the more attractive line-up are accelerating the speed of transition to digital TV in Italy.



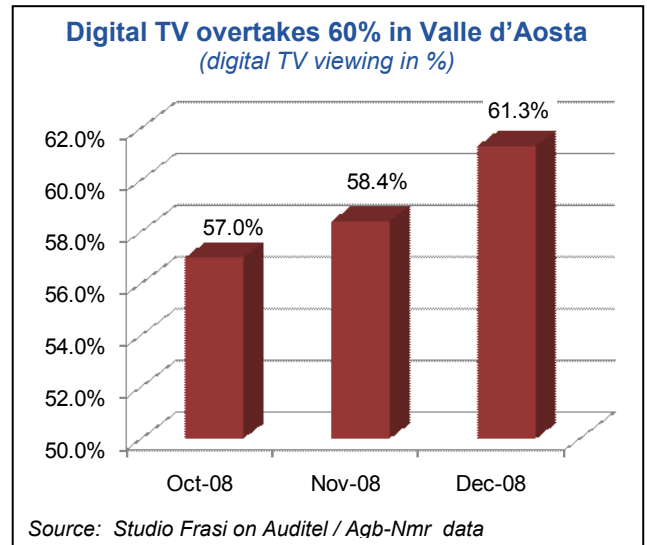
# DIGITAL TERRESTRIAL TV VIEWING

(by Studio Frasi)

Sardinia, now in its fourth all-digital month, is providing interesting and useful feedback to all those European countries that are involved in the transition to digital TV.

In December 2008, DTT audience share in Sardinia reached 79.1%, implying a growth of +1.6% compared to the previous month.

In Valle d'Aosta on the other hand, digital TV viewing overtook the 60% mark for the first time reaching a total of 61.3%. It is the next region in Italy to become all-digital.



## NEW IN ITALY

### “NOTHING IS THE SAME”. 4<sup>th</sup> DGTVi CONFERENCE

After Cagliari, Naples and Turin, 2009 is Rome's turn to host the 4<sup>th</sup> DGTVi National Conference taking place on the 20<sup>th</sup> and 21<sup>st</sup> of January at the Auditorium Parco della Musica with the title “**Niente è come prima**” (“Nothing is the Same”).

The choice of Rome as a venue emphasizes one of the objectives for 2009: switch-off in the capital of Italy. The conference re-confirms an annual event which brings together everyone involved in the transition to DTT.

The first day, hosted by Giorgio Mulè, editor of Studio Aperto, as well as presenting the 3<sup>rd</sup> DGTVi Report on DTT in Europe, also includes a rich session which introduces the new DTT offers made available by Rai, Mediaset, Sportitalia and local broadcasters, who will illustrate the most significant Italian experiences. The presentation of the TIVU' platform and an in-depth look at technological innovations will close the session. This first day of work, with speeches by Carlo Sangalli, president of Confcommercio and Enrico Manca, president of the Fondazione Bordini, will be concluded with the screening of a TV advert for promoting DTT shared by all broadcasters.

The second day, hosted by Bruno Vespa, starts with introductory speeches by Corrado Calabrò, president of AGCOM and Emma Marcegaglia, president of Confindustria, followed by the annual DGTVi review, illustrated by its president Andrea Ambrogetti. Following this, the governors of the 2009 switch-off regions will take the floor. Finally, a customary round table will take place with the general managers of the DGTVi member companies and a conclusion made by government representatives. This year the undersecretary Paolo Romani will be putting together the suggestions and requests that emerge from the two days of conference.

### 3<sup>rd</sup> DGTVi REPORT ON DTT IN EUROPE

Part of the conference will be dedicated to presenting the 3<sup>rd</sup> DGTVi Report on DTT in Europe, focusing this year on the UK, France, Spain and Italy which share a high penetration of terrestrial TV and have reached comparable stages of digital transition.

In these countries 2008 was a symbolic year: penetration figures show that digital TV has overtaken analogue and DTT has overtaken satellite.

This confirms DTT as the main digital TV platform for over half of digital households, whereas analogue TV only households are now down to less than a third of total TV households.

DTT is also the main digital platform in secondary TV sets (¾ in the UK). Another novelty from last year is the scheduling of transition phases in Spain, Italy and France: over the next three years more than 50 million households in the four countries will switch to digital (55,6%).

DTT is also confirmed as the platform capable of providing universal access to digital TV. There are currently 104 free-to-air channels in the 4 countries, of which 77 were not previously available on the terrestrial platform.

## DTT BRINGS FREE-TO-AIR TV BACK IN THE FOREFRONT

If one considers the number of individuals (and households) that had, have or will have access to multichannel TV, that is to a rich and diverse range of TV channels and contents, it can be noted that between 2002 and 2010 two vital changes will have taken place: the development of DTT has on the one hand increased access to multichannel TV and on the other hand brought Free-To-Air TV back in the forefront.

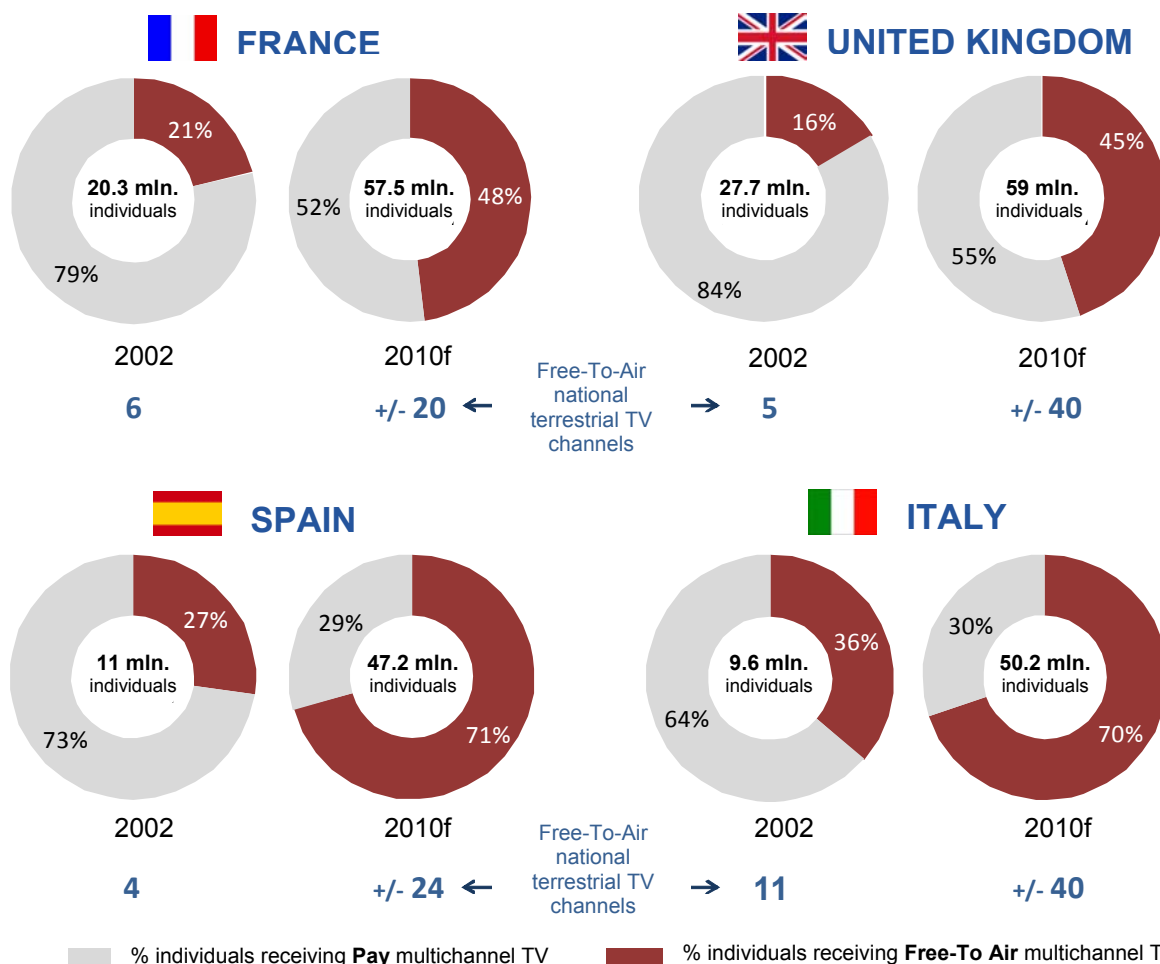
During the 1990s (and at the very beginning of this decade) in absence of a Free-To-Air digital TV environment, multichannel TV had grown primarily thanks to the development of Pay-TV platforms (via satellite or, where available, via cable).

Looking at the chart below it is clear how, in the four countries considered, the market in 2002 was divided between a few individuals with access to a wide range of channels and the majority of the population with access to a relatively limited range of analogue TV channels.

By increasing the potential of free-to-air TV, DTT also introduces novelties that are significant to the conceptual evolution of the offer.

Terrestrial TV channels are increasing in number and those best suited for free-to-air distribution (thematic, generalist, and mini-generalist, whether national, local or international) are becoming stronger.

Number of individuals with access to multichannel TV (in millions) divided into Pay and Free-to-Air (%)



Source: e-Media Institute.

NB: The number of DTT channels does not include regional and local channels. The 2002 figures refer to analogue terrestrial TV channels.

### DIGITA

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